

FUND OBJECTIVE

To achieve capital stability by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

FUND DETAILS

Launch Date	1 December 2017	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	12,324 units (31 December 2018)	Fund Size	RM12,301 (31 December 2018)
Unit NAV	RM0.9981 (31 December 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd	Target Fund	CIMB Islamic Conservative Wholesale Fund-of-Funds
Benchmark	Quantshop GII Medium Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> ▪ Have a long-term investment horizon ▪ Have a low risk profile and seek for a potentially less volatile investment return ▪ Want a minimal exposure to Shariah-compliant equities investment ▪ Want a portfolio of investments that adhere to Shariah principles 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Strategic Conservative Fund. ▪ Up to 1.2% of per annum fund management charge is applied on the target fund's NAV by CIMB-Principal Asset Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

Common Stock	Cash
84.22%	15.78%

SECTOR ALLOCATION OF THE TARGET FUND

Mutual Funds	84.22%
Cash	15.78%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

CIMB Islamic Sukuk Fund	46.57%
CIMB Islamic Enhanced Sukuk Fund	26.95%
CIMB Islamic DALI Equity	10.71%
Total	84.23%

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Conservative Wholesale Fund-of-Funds (“target fund”) with the objective to achieve capital stability by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

Table below shows the investment returns of Sun Life Malaysia Islamic Strategic Conservative Fund versus its benchmark as at 31 December 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-0.19%	-0.29%	-1.11%	-0.24%	N/A	N/A	-0.19%
Benchmark	4.08%	0.68%	1.08%	2.68%	N/A	N/A	4.52%

***Notice: Past performance of the fund is not an indication of its future performance which may differ. The fund performance is not guaranteed.**

FUND MANAGER'S COMMENTS

In December, the Fund declined 0.29%, underperforming the Benchmark by 0.97%. YTD basis the Fund declined by 0.19% underperforming 4.27%. The Fund will stay fully invested in target funds.

Domestically, poor 3Q18 earnings led to more downward revision by the Street for 2018 and 2019 estimates and this will add pressure to the KLCI. On the back of all these uncertainties, we reiterated our capital preservation investment strategy with preference on big cap GLCs and companies with strong fundamentals and solid cash flow and dividends in sectors such as Utilities & Renewable Energy, Consumer Staples and Industrials. We are also positive over the medium term on Exporters as US-China trade conflicts may benefit technology-related and Electronics Manufacturing Services (“EMS”) players in Malaysia.

On Sukuk, the higher fiscal deficit in 2018 may increase the risk of yield curve steepening. On policy rate, we think BNM will likely to maintain OPR unchanged at 3.25% given that there is a structural shift in lower GDP growth potential for the remaining of 11th Malaysia Plan. On credit risk, some cyclical corporate are showing signs of earnings and cash flow weaknesses as a result of challenging business landscape. Coupled with the tight credit spreads and low secondary liquidity, we are very selective in adding credit risks now.

Source : CIMB-Principal Asset Management Bhd

Date : 31 December 2018

Disclaimer:

The benchmark performance is not a guide to future performances which may differ. The performance of the fund is not guaranteed. The value of the fund will fluctuate and may fall below the amount of premiums paid and the fund value depends on the actual performance of the underlying investment. This material is for information purposes only and is subject to change at any time without notice. Sun Life Malaysia does not guarantee its accuracy, completeness, correctness or timeliness for any purpose or reason. This information should not be considered as advice or recommendation in relation to your account or particular investment objectives, financial situation or needs. You may not revise, transform, or build upon this material without prior written consent of Sun Life Malaysia. Before acting on any information you should seek independent financial advice.